

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: LUL-495-16

Proposed Implementation Date: October 2016

Proponent: Montana Land & Exploration, Inc.
Billings, MT

Location: Section 27 – T31N-R20E (Common School Trust)

County: Blaine

I. TYPE AND PURPOSE OF ACTION

Montana Land & Exploration, Inc. (henceforth referred to as the proponent) has requested a Land Use License for access and possible future road improvements through N½NE¼ and NE¼NW¼ the state owned tract listed above. An existing gravel road (Neato Lane) would be used for 2,775.4 feet to an existing two-track trail that is 884.1 feet before leaving state land. These roads would provide access to a proposed well located to the north in Section 22, which is not State land. The two-track trail would be improved to a gravel road if the proposed well is found to be economically viable. See attached map.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

The proponent has submitted the proper documentation to request this project. The Havre Unit Office and Northeastern Land Office staff has been notified of the project. Land Use Specialist, Monte McNally, completed a site visit on September 19, 2016. DNRC grazing lease holder has been notified of the Land Use License application.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

None

3. ALTERNATIVES CONSIDERED:

No Action Alternative: The proposed access and road improvements would not occur. Current access with easements, non-motorized recreational use and grazing leasing would continue.

Action Alternative: Montana Land & Exploration, Inc. would have permission to access roads in N½NE¼ and NE¼NW¼ of Section 27. If the well is economically viable, the road in NE¼NW¼ would be improved.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES* potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain **POTENTIAL IMPACTS AND MITIGATIONS** following each resource heading.
- Enter "NONE" if no impacts are identified or the resource is not present.

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

The geology in Section 27 is composed of Upper Cretaceous Judith River Formation that is 540-670 feet thick. This formation consists of sandstone, claystone, shale and thin layers of coal.

Soil composition in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 27 where the road improvement could take place is Reeder loam. Web soil survey indicates this soil has moderate erosion hazards, have a poor resistance to compaction, high restoration potential, and an excellent rating for handling traffic when conditions are dry. Soil disturbance may take place on the existing two-track that would be improved to a gravel road built to safety standards if the proposed well is found to be economically viable. Heavy equipment would not be allowed into any wetland, sub-irrigated sites, or rivers, streams, springs, reservoirs, or ponds on the project. Some soil compaction would take place on the improved gravel road where heavy equipment would be operated.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

Road access on the existing gravel road would not affect water quality or quantity. If the well is economically viable an existing two-track would be improved to a gravel road to access the well. The proposed improved gravel road location is on an upland bench between two drainages. The drainages are approximately 100 feet on either side of the two-track trail. These are existing intermittent drainages that flow to man-made dams to the north of the project site. Most impact to water quality and quantity would be on deeded land. Water bars would be necessary on last 250 feet of the two-track trail if it would be improved to a gravel road. Surface and ground water quality would be maintained by keeping traffic on the existing road and excluding access off of the road.

The Ground Water Information Center website indicates that there is one well in this section, two in section 26 to the east and one in section 28 to the west. These wells would not be affected by traffic on the gravel roads.

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Pollutants and particulates may be increased during the project as a result of dust from equipment and vehicles traveling along the gravel roads. Additional particulates would increase if the well is economically viable and the existing two-track is improved to a gravel road. After the completion of

the proposed well, vehicle traffic could decrease to maintenance and production purposes only if the well is viable or decrease to no use if the well is not viable.

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

Vegetative communities would be affected by this project. The existing two-track trail that could possibly be improved to a gravel road goes through Big Sagebrush Steppe and Great Plains Mixedgrass Prairie. If the well is found to be economically viable, the existing two-track is 884.1' long and about 10 feet wide would be widened to approximately 15 feet for a total of 0.30 acres of disturbed vegetative communities.

Native species found on the site include; needle and thread, blue grama, sandberg bluegrass, prairie junegrass, plains muhly, western wheatgrass, bluebunch wheatgrass. No invasive species were found on the site.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

There may be minimal disruption to the wildlife in the area. The scale and length of the project should not be enough to permanently disrupt wildlife species. Species in the area include antelope, whitetail deer, mule deer, raptors, upland game birds and other birds, various rodents, rabbits, reptiles and others.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

A search was conducted using the Montana Natural Heritage Program database to identify point observations of species of concern in the section of the proposed activity. No species of concern have been documented in this section.

Section 27 is not within the general or core sage grouse habitat areas delineated by the Montana Sage Grouse Habitat Conservation Program.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

TLMS search indicated that there are two cultural or paleontological resources in Section 27. The road on the east boundary of section 27 is Registered Site 24BL1661 as an historic road. This road was historically called "Chinook to St. Paul Missouri Road", and is now referred to as Barney Olson Road. A cultural property is documented in S½SW¼. This site is believed to be remnants of a settlement, possibly dating back to late 1800's. Road improvements and gravel road use would not impact these cultural sites. Land Use Specialist, Monte McNally, completed a site visit on Sept. 19, 2016, in which no other archeological resources were found.

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

Aesthetics would be impacted by this project. The proposed improved gravel road is 884.1' feet long and would not take very long to complete. There would be increased traffic through Section 27 to the proposed well site during drilling. If the proposed well produces economically viable amounts, there would be maintenance and production traffic to the well.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

None

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

None.

IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

No human and health safety risks were identified as a result of the proposed project.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

The proposed project is not expected to alter current or future industrial, commercial, and agricultural activities and production.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The proposed project would not create, move, or eliminate jobs.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

No impact.

18. DEMAND FOR GOVERNMENT SERVICES:
Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services.

18. DEMAND FOR GOVERNMENT SERVICES:
Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services.

No impact.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:
List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:
List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

No impact.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:
Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:
Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

No impact.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:
Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:
Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

No impact.

22. SOCIAL STRUCTURES AND MORES:
Identify potential disruption of native or traditional lifestyles or communities.

22. SOCIAL STRUCTURES AND MORES:
Identify potential disruption of native or traditional lifestyles or communities.

No impact.

23. CULTURAL UNIQUENESS AND DIVERSITY:
How would the action affect any unique quality of the area?

23. CULTURAL UNIQUENESS AND DIVERSITY:
How would the action affect any unique quality of the area?

No impact.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:
Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:
Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

The proponent has paid the \$25 Land Use License application fee, and is the current oil and gas lessee on Section 27. The existing grazing lease on the State Sections listed above provides approximately \$1,017, and the existing oil and gas lease provides \$240 in rental fees, in annual revenue from Section 27 that goes to Common Schools.

EA Checklist Prepared By:	Name: Heidi Crum Title: Mineral Resource Specialist	Date: 9/21/16
--------------------------------------	--	----------------------

V. FINDING

25. ALTERNATIVE SELECTED:

After reviewing the Environmental Assessment, I have selected the Action Alternative, to issue a Land Use License. I believe this alternative can be implemented in a manner that is consistent with the long-term sustainable natural resource management of the area and generate revenue for the common school trust.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I conclude all identified potential impacts will be mitigated by utilizing the stipulations listed below and no significant impacts will occur as a result of implementing the selected alternative.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

☐


EIS

☐

More Detailed EA

☒

No Further Analysis

EA Checklist Approved By:	Name: Trevor Taylor
	Title: Petroleum Engineer
Signature: 	Date: 9/26/16



● Proposed Well Location

Total length of access on DNRC land for LUL-495-16 is 3659'

Existing Two-Track Trail 884'
To be improved if the proposed
well is found to be economically
viable.

Existing Gravel Road
2,775'

T 31N R 20E